GENERATIONMINING

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

This Management's Discussion and Analysis ("MD&A") reviews the audited consolidated financial condition and results of operations of Generation Mining Limited and its wholly owned subsidiary company (together "Generation" or the "Company") for the year ended December 31, 2020. The MD&A was prepared as of March 25, 2021 and should be read in conjunction with the audited consolidated financial statements for year ended December 31, 2020 and 2019, and notes thereto, prepared in accordance with the International Financial Reporting Standards or ("IFRS"). Certain non-IFRS measures are included in this MD&A and are outlined on page 28. The disclosure contained in this MD&A has been approved by the board of directors of the Company. All figures are in Canadian dollars unless stated otherwise. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address future exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Forward-looking statements should be read in conjunction with the risk factors described in the "Risk Factors" and "Cautionary Note Regarding Forward Looking Information" sections at the end of this MD&A and as described in the Company's Annual Information Form ("AIF") for the year ended December 31, 2020.

OVERVIEW

The Company is an exploration and development stage company focused on the Marathon Palladium and Copper project located in Marathon, Ontario Canada (the "Marathon Property" or "Marathon Project"). The Company acquired its initial 51% interest in the Marathon Property in July 2019 through a joint venture (the "Marathon Joint Venture") with Stillwater Canada Inc., a subsidiary of Sibanye Gold Limited, trading as Sibanye-Stillwater ("Sibanye"). Sibanye is a leading international precious metals mining company, with a diverse portfolio of operations in the United States and Southern Africa. In November 2020 Generation satisfied its additional earn in conditions and increased its ownership position in the Marathon Joint Venture from 51% to 80% subject to typical funding and dilution provisions provided under the Marathon Joint Venture agreement. The additional earn in conditions consisted of filing a preliminary economic Assessment ("PEA") which was completed in February 2020 and spending $10 million on the Marathon Project which was completed in November 2020. On March 25 2021 the Company filed on SEDAR a National Instrument 43-101 Feasibility Study titled "Feasibility Study Marathon Palladium & Copper Project Ontario, Canada" with an effective date of March 3, 2021. The Company also commenced an Environmental Assessment in 2020.

The Company was incorporated under the Business Corporations Act (Ontario) on January 11, 2018. Its registered office is located at 100 King Street West, Suite 7010, Toronto, Ontario M5X 1B1. The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol GENM and OTCQB Venture Marketplace under the symbol GENMF. The Company also has a number of other exploration properties located in Canada.

Scientific and technical information contained in this MD&A relating to mineral reserves, mineral resources and exploration results was reviewed and approved by Drew Anwyll, P.Eng., M.Eng., Chief Operating Officer of the Company, and Rod Thomas, P.Geo., Director and Vice President, Exploration of the Company, each a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").

Readers are referred to the NI 43-101 technical report for the Marathon Project entitled, "Feasibility Study Marathon Palladium & Copper Project Ontario, Canada" (the "Feasibility Study") dated March 23, 2021, prepared by Antoine Champagne, ing., Paul Murphy, ing., Louis-Pierre Gignac, ing., each of G-Mining Services Inc., Robert Raponi, P.Eng., of Ausenco Engineering Canada Inc. and Haggarty Technical Services, Eugene Puritch, P.Eng., FEC, CET, of P&E Mining Consultants Inc., and Craig Hall, P.Eng., of Knight Piésold Ltd. and WESC Inc., which is incorporated by reference herein. Readers are encouraged to review the full text of the Feasibility Study, available for review under the Company's profile on SEDAR at www.sedar.com. The Feasibility Study supports the scientific and technical information set out in the this MD&A.

TECHNICAL HIGHLIGHTS

- Completed a National Instrument 43-101 Feasibility Study titled Feasibility Study Marathon Palladium & Copper Project Ontario, Canada dated March 23, 2021 ("Feasibility Study"). The Feasibility Study established a compelling base case assessment for the development of the Marathon Palladium and Copper Mineral Reserve by open pit mining. The project generates an after-tax internal rate or return ("IRR") of 29.7% and an after-tax net present value ("NPV") of $1.07 billion at a 6% discount rate.
- In the period from June through December 2020, a two-phase metallurgical test program was undertaken. The test programs consisted of bench scale and lock-cycle test along with a pilot plant. The program was successful to validate the optimized process plant flowsheet and circuit design and was also successful to determine the geo-metallurgical recovery curves to be used in the Feasibility Study.
- In June 2020, the Company restarted the Environment Impact Assessment review and approval process for the Marathon Project with Federal and Provincial Government Agencies. The initial volume of the Environment Impact Assessment was completed in January 2021, with the second volume expected to be completed in April 2021.
- In November 2020, the Government of Canada and the Province of Ontario appointed the Joint Review Panel to conduct the environmental assessment of the Marathon Project.
- The Company and its predecessors have been engaged in consultation and negotiations with a number of Indigenous communities and regional municipalities with respect to the project since 2004. The Company along with the identified communities are progressing relationships through regular meetings and interactions to advance towards the development of the project.
- Completed a 5,068 metre drill program in the fall of 2020. Highlights of the program included:
  - 92 metres grading 1.41 g/t PdEq(1) including 6 metres grading 2.92 g/t Pd, 1.29 g/t Pt, 0.36 g/t Au and 0.48% Cu, and
  - 8 metres grading 3.86 g/t Pd, 1.36 g/t Pt, 0.43 g/t Au and 0.62% Cu within 43 metres grading 2.82 g/t PdEq(1)
- Discovered a large high velocity seismic anomaly that extends at depth from the Sally Deposit into the Archean footwall which may represent a mafic-ultramafic conduit or feeder zone to the Sally Deposit and as such, may potentially host higher grade massive sulphide accumulations on the floor of the conduit feeder zone.
- Conducted Spartan Magnetotelluric ("MT") survey over several of areas of the property where a number of anomalies were identified for follow up drilling.
- In February 2021 the Company initiated a 8,000-metre exploration drilling program on the Marathon Property. The program will consist of a 3,000-metre winter program (conditional on weather) and a 5,000-metre summer program.

(1) The Palladium Equivalent ("PdEq") calculation expressed in g/t is the sum of the theoretical in situ value of the constituent metals (Au + Pt + Pd + Cu) divided by the value of one gram of palladium. The calculation makes no provision for expected metal recoveries or smelter payables. USD per ounce commodity prices of $1,300, $900, $1275 were used, respectively, for Au, Pt and Pd and a $3/lb value was assigned for Cu.

CORPORATE HIGHLIGHTS

- In February 2020, Mr. Cashel Meagher joined the board of directors and Mr. Brian Jennings was appointed Chief Financial Officer. Mr. Meagher is Senior Vice President and Chief Operating Officer of Hudbay Minerals Inc. and prior to joining Hudbay in 2008, held various positions with Vale Inco. Mr. Jennings is a Chartered Professional Accountant and geologist with over 30 years of experience working as a senior financial executive and corporate restructuring professional.
- Completed a financing in February 2020 with aggregate total gross proceeds of $10.7 million.
- In March 2020, Mr. Drew Anwyll joined the Company as Chief Operating Officer. Most recently, Mr. Anwyll was Senior Vice-President – Technical Services, Interim Chief Operating Officer and Vice-President Operations | Mine General Manager at Detour Gold's large open pit gold mine in Northern Ontario.
- In April 2020, all outstanding warrants issued as part of the April 20, 2018 private placement were exercised, for gross proceeds of $2.4 million.
- On June 8, 2020, Generation commenced trading on the US trading platform OTCQB Venture Marketplace under the symbol GENMF.
- Generation commenced trading on the Toronto Stock Exchange under the symbol GENM in July 2020. We believe that the TSX listing will facilitate access to a broader range of investors as well as provide exposure to larger pools of capital, including long-term institutional investors and large investors abroad such as in the USA and Europe.
- On November 27, 2020, the Company increased its ownership interest to hold an 80% interest in the Marathon Property subject to typical funding and dilution provisions provided under the Marathon Joint Venture agreement.
- Completed a flow through share financing in December 2020 for gross proceeds of $3.3 million. Approximately 47% of the offering was subscribed by a company controlled by Mr. Eric Sprott, making it the largest shareholder of the Company's common shares.
- Jennifer Wagner joined the Company's board of directors in February 2021. Ms. Wagner is a lawyer with extensive experience in the corporate mining sector. She is currently Executive Vice-President, Corporate Affairs and Sustainability at Kirkland Lake Gold Ltd., holding various positions there for five years.

MARATHON PROPERTY ACQUISITION AND JOINT VENTURE

On July 10, 2019, the Company, through Generation PGM, completed the acquisition of a 51% initial interest in the Marathon Palladium Copper deposit near Marathon, Ontario and entered into the Marathon Joint Venture with Sibanye. The Company paid $3,000,000 in cash and issued 11,053,795 common shares of the Company at a deemed price of $0.2714 per common share (totaling $3,000,000), for total consideration of $6,000,000. Pursuant to the Marathon Joint Venture Generation Mining had the right to increase its interest in the Marathon Property to 80% by sole funding $10,000,000 in exploration, evaluation and development expenditures and preparing a preliminary economic assessment ("PEA") within four years ("Ownership Increase Right"). On February 19, 2020, the Company filed a PEA and in November 2020, incurred $10,000,000 in exploration and evaluation expenditures fulfilling the Ownership Increase Right. On November 27, 2020, the Company increased its ownership interest to hold a 80% interest in the Marathon Property. On December 14, 2020, Stillwater elected to forgo its proportionate share of joint venture funding and dilute its interest in the Marathon Joint Venture pursuant to the provisions of the Marathon Joint Venture Agreement ("Dilution Provisions"). Pursuant to the Dilution Provisions Generation Mining holds a 80.7% and Stillwater holds a 19.3% interest in the joint venture as at December 31, 2020. Upon completion of a definitive feasibility study and the management committee of the joint venture making a positive commercial production decision, Sibanye will have 90 days to exercise an option to increase its interest in the Marathon Joint Venture to 51% by agreeing to pay three times the expenditures forgone pursuant to the Dilution Provisions and funding 31% of the total capital cost estimated by a feasibility study. The Company is currently the operator of the Marathon Joint

Venture unless its interest reduces to a minority interest. On March 25, 2021, the Company filed a Feasibility Study on the Marathon Project.

FEASIBILITY STUDY

On March 3, 2021, the Company announced the results of a Feasibility Study for the Marathon Palladium and Copper Project. On March 25, 2021, the Company filed the NI 43-101 titled Feasibility Study Marathon Palladium & Copper Project Ontario, Canada on SEDAR. All dollar amounts are in Canadian dollars, stated on a 100% project ownership basis, and based on the base case analysis unless otherwise noted.

Feasibility Study Highlights [(3)]

- Robust economics: Internal Rate of Return ("IRR") (after-tax) of 29.7% and a Net Present Value ("NPV") (6%) of $1.07 billion based on a long-term price of US$1,725/oz for palladium and US$3.20/lb for copper,
- Using spot metal prices[1]: IRR of 47%, NPV6% of $2.02 billion and payback of 1.5 years using spot prices of US$2,395/oz for palladium and US$3.99/lb for copper,
- Quick payback on low Initial Capital: $665 million (US$520 million) net of equipment financing and a 2.3-year payback period,
- Low operating costs and attractive AISC: LOM average cash costs of US$687/PdEq oz[2] and all-in sustaining costs (AISC) of US$809/PdEq oz[2],
- Payable metals: 1.9 M oz palladium, 467 M lbs copper, 537,000 oz platinum, 151,000 oz gold and 2.8 M oz silver,
- First three years of production following commercial production: $979 million of free cash flow, Payable metal: 588,000 oz of palladium and 122 M lbs of copper from approximately 270,000 tonnes of Cu-Pd concentrate shipped,
- The Project is expected to generate direct corporate taxes and duties to the provincial and federal governments of $944 million.

The Feasibility Study was prepared by G Mining Services Inc. ("GMS"), along with contributions from Ausenco Engineering Canada Inc. ("Ausenco"), Haggarty Technical Services ("HTS"), Knight Piésold Ltd. ("KP"), WESC Inc. and P&E Mining Consultants Inc. ("P&E").

Key results and assumptions used in the Feasibility Study are summarized in the table below.

Price Assumptions [(a)]	Units	Base Case
Palladium	US$/oz	**$1,725**
Copper	US$/lb	**$3.20**
Platinum	US$/oz	**$1,000**
Gold	US$/oz	**$1,400**
Silver	US$/oz	**$20.00**
Exchange Rate	C$/US$	**1.28**
Diesel Fuel	$/L	**0.77**
Electricity	$/kWhr	**0.08**

Note:[(a)] Commodities listed in order of revenue.

[1] *Spot Price on 22 February 2021: Pd = US$2,395/oz; Cu = US$3.99/lb; Pt = US$1,268/oz; Au = US$ 1,807/oz; Ag = US$27.45/oz; Pd, Pt, Au and Ag prices sourced LBMA; Cu price sourced on LME Copper; C$/US$ exchange rate = 1.266, sourced Bank of Canada prior week average ending 22 Feb. 2021*

[2] *PdEq grade is calculated based on:* $((Pd\ US\$1{,}725/31.10348\ x\ Pd\ grade\ g/t\ + Cu\ US\$3.20/2204.6\ x\ Cu\ grade\ \%/100 + Au\ US\$1{,}400/31.10348\ x\ Au\ grade\ g/t + \ Pt\ US\$1{,}000/31.10348\ x\ Pt\ grade\ g/t + Ag\ US\$20/31.10348\ x\ Ag\ grade\ g/t))/(Pd\ US\$1{,}725/31.10348)$

[3] *Certain non-IFRS measures are included in this MD&A and are outlined on page 28*

Operating Data	Units	Pre-Production	Operations	Total
Mine life	years	2	12.6	14.6
Total Milled Tonnes	Mt	1.9	115.8	117.7
Total Mined Tonnes	Mt	25.4	421.8	447
Strip Ratio	waste:ore	3.33	2.77	2.80
Metal Production[1]	**Units**	**Recovered Metals**	**Payable Metal**	**% of Revenue**
Palladium	k oz	2,028	1,905	58.7%
Copper	M lbs	493	467	26.8%
Platinum	k oz	634	537	9.6%
Gold	k oz	183	151	3.8%
Silver	k oz	3,796	2,823	1.0%

Note: [1] LOM metal production including pre-production period.

Capital Costs	Units	
Initial Capital[2]	$M	**665**
LOM Sustaining Capital	$M	**423**
LOM Total Capital	$M	**1,087**
Closure Costs	$M	**66**

Note:[2] Initial Capital shown after equipment financing.

Operating Costs	Units	
Mining[3]	$/t mined	**2.53**
Processing	$/t milled	**9.08**
General & Administration	$/t milled	**2.48**
Transport & Refining Charges	$/t milled	**2.80**
Royalties	$/t milled	**0.03**
Total Operating Costs	$/t milled	**23.63**
LOM Average Operating Cost	US$/oz PdEq	**687**
LOM Average AISC	US$/oz PdEq	**809**

Note: Refer to Non-IFRS Financial Measures at the end of the MD&A.
[3] Mining cost also noted as $9.23/tonne milled.

Economic Analysis Base Case	Units	Base Case	Spot Price[4]
Pre-tax Undiscounted Cash Flow	$M	**3,004**	**5,305**
Pre-tax NPV6%	$M	**1,636**	**3,042**
Pre-tax IRR	%	**38.6**	**59.9**
Pre-tax Payback	years	**1.9**	**1.2**
After-tax Undiscounted Cash Flow	$M	**2,060**	**3,626**
After-tax NPV6%	$M	**1,068**	**2,025**
After-tax IRR	%	**29.7**	**46.5**
After-tax Payback	years	**2.3**	**1.5**

Note:[4] Spot Price on 22 February 2021: Pd = US$2,395/oz; Cu = US$3.99/lb; Pt = US$1,268/oz; Au = US$1,807/oz; Ag = US$27.45/oz; Pd, Pt, Au and Ag prices sourced LBMA; Cu price sourced on LME Copper.

Mining

Mining methods will employ conventional open pit, truck and shovel operating practice. Three pits will be mined over the 13-year mine life, with an additional two years of pre-production mining to be undertaken where waste material is being mined for construction and ore stockpiled ahead of processing plant commissioning. The mining equipment fleet is to be owner-operated and will include outsourcing of certain support activities such as explosives manufacturing and blasting. Production drilling and mining operations will take place on a 10 m bench height. The primary loading equipment will consist of two hydraulic face shovels (29 m^3 bucket size) and one large front-end wheel loader (30 m^3 bucket size). The loading fleet is matched with a fleet of 13 x 216 tonnes haulage trucks. A fleet of two 90 tonnes excavators will be used to excavate the limited volume of overburden material and will also be allocated to mining of the narrow-thickness ore zones associated with the W-Horizon in the South Pit to mitigate additional dilution.

Mining production at peak capacity is 40 Mt per year (110,000 tonnes per day ("t/d")). Total material moved over the life of the operation is 447 Mt with 118 Mt of ore mined.

The Marathon Deposit is well defined and characterized by ore outcropping on surface, wide, and moderately dipping mineralized zones. The open pit operation includes a waste rock dump immediately to the east of the open pits and an ore stockpile (peak capacity of approximately 12 Mt) to the west of the pits, proximal to the crusher location.

Processing

The Project process design is based on the optimized flowsheet as determined by operational considerations and the 2020 metallurgical test programs. The process plant is designed to operate at 9.2 Mt per year (25,200 t/d) and will produce a copper-palladium concentrate for marketing.

The process plant flowsheet includes a conventional comminution circuit consisting of a SAG mill, pebble crusher followed by a ball mill ("SABC"). The flotation portion of the process plant includes rougher flotation, concentrate regrind and three stages of cleaning. After the initial construction phase, the palladium-scavenger ("PGM-Scavenger") circuit will be installed and including cyclone classification of rougher tailings to reject the fine fraction and submit coarser fractions to additional regrinding and PGM scavenger flotation. The PGM-Scavenger circuit will add incremental recovery improvement to achieve the recoveries established in the 2020 metallurgical testing programs.

Metal	% Recovery at Average Reserve Grade	Recovery Equations
Palladium	86.9%	% Rec Pd = 88.27 x (Pd head grade Exp(0.0338)) , to a maximum of 92%
Copper	93.0%	% Rec Cu = 93.0 (constant)
Platinum	84.2%	% Rec Pt = 1.22 x (% Rec Pd) - 21.79
Gold	72.4%	% Rec Au = 1.39 x (% Rec Pd) - 48.37
Silver[1]	71.5%	% Rec Ag = 71.5 (constant)

Note: [1] Silver recovery assumes prior metallurgical test recoveries.

The flotation circuit design incorporates Woodgrove Direct Flotation Reactors ("DFRs") which provide decreased power consumption and improved operational performance. Concentrate thickening, concentrate filtering, tailings thickening, water management, and a Tailings Storage Facility ("TSF") complete the flowsheet.

The below table identifies the key elements in the Cu-PGM concentrate as produced from the mini-pilot plant from the 2020 metallurgical test program.

Element	**Unit**	**South Pit** (W-Horz.)	**North Pit** (Main Zone)
Pd	g/t	171	39
Cu	%	18.7	19.7
Pt	g/t	43.5	7.6
Au	g/t	17.6	3.3
Ag	g/t	> 50	68
Rh	g/t	2.4	0.58

Note: Only key elements are listed in this table. The concentrate is low in deleterious elements; no smelter penalties are anticipated in concentrate marketing.

Site Infrastructure

The existing regional infrastructure in the area of the Project is well established and will allow for the efficient logistics associated with project execution and operations including the movement of the Cu-Pd concentrate to a third-party, off-site smelter.

All site infrastructure facilities, including the roads and access, process plant buildings, workshops, warehouse, administrative buildings, water treatment plants, explosive plant, communication systems, power and power transmission line required for the Project during construction and operation have been considered in the Project design. Off-site infrastructure (including transload concentrate facility, assay lab and accommodation units) required to support the operation have also been included.

The TSF design methodology includes downstream constructed embankments using run-of-mine rockfill with embankments founded directly on bedrock. Majority of the TSF area consists of exposed bedrock with a thin intermittent layer of sand and gravels. The upstream face of embankments includes an HDPE Geomembrane to minimize seepage. The construction methodology includes for bulk material placement with the mining fleet. Directly associated with the TSF is robust water management facilities that are deemed to support the operation and the robust environmental stewardship.

Capital and Operating Cost Summary

The initial capital cost considers a site-based construction timeframe of approximately 18 months followed by a commissioning and ramp-up to commercial production over a period of approximately 9 months. During the pre-commercial production, the costs and revenue associated with operations will be capitalized and included in the capital costs.

Construction Indirects and General and Owner’s costs are related to the expenses other than the direct equipment purchase and direct construction costs.

Sustaining Capital items include future equipment purchases and replacements and major planned component replacements for the mining fleet, the progressive build of the TSF over the life of the operation, installation of the PGM-Scavenger circuit following commercial production and infrastructure developments to support the growth and contribute to operational improvements following initial construction.

Capital Costs	Initial ($ M)	Sustaining ($ M)	Total ($ M)
Mining	127.8	184.1	311.9
Process Plant	269.2	38.5	307.7
Infrastructure	107.7	29.3	136.9
Tailings Storage and Water Management	61.2	170.8	232.0
Construction Indirects	113.5		
General and Owner's Cost	14.9		
Preproduction, Startup, Commissioning	(52.9)		
Subtotal (before equipment financing)	**641.4**	**422.6**	**988.5**
Contingency[1]	74.8		
Subtotal (including contingency)	**716.1**		
Less: Equipment Financing Drawdowns	(72.4)		
Add: Equipment Lease Payment & Fees	21.0		
Total Initial Capital (after equipment financing)	**664.7**	**422.6**	**1087.3**
Closure & Reclamation[2]		65.9	65.9
Total Capital Costs	**664.7**	**488.5**	**1153.2**

Note: [1] Contingency included at project sub-category basis and totals approximately 11.7%.
[2] Closure cost estimate is $55.1M, additional cost included for carrying cost of closure bond.
Sums may not total due to rounding.

Operating Costs	$ M	$/tonne milled	US$/oz PdEq
Mining [1]	1,069	9.23	268
Processing	1,051	9.08	264
General & Administration and Others	287	2.48	72
Concentrate Transport Costs	146	1.26	37
Treatment & Refining Charges	178	1.54	45
Royalties	4	0.03	1
LOM Operating Costs	**2,736**	**23.61**	**687**
Closure & Reclamation	66	0.57	17
Sustaining Capital	423	3.65	106
LOM AISC	**3,224**	**27.78**	**809**

Note: [1] Unit mining cost per tonne mined $2.53/t.

Economic Analysis (presented on a 100% ownership basis, base case assumptions)
The economic cash flow model of the Project, using long-term price of US$1,725/oz for platinum, US$3.20/lb for copper, and a C$/US$ exchange rate of 1.28, generates an after-tax NPV of $1.07 billion, at a 6% discount rate, and an after-tax IRR of 29.7%. Payback is 2.3 years on initial capital. Before taxes, the NPV at 6% is $1.64 billion and IRR is 38.8% with a payback of 1.5 years. The economic analysis is carried out in real terms (i.e., without inflation factors) in Q1 2021 Canadian dollars without any project financing but inclusive of equipment financing and costs for closure bonding.

The Project has significant leverage to the palladium and copper prices. The after-tax valuation sensitivities for the key metrics are shown below.

Palladium Price US$/oz	1,000	1,250	1,500	1,725	1,850	2,000	2,500
NPV6% ($M)	356	601	847	**1,068**	1,190	1,337	1,831
Payback (yrs)	4.3	3.2	2.6	**2.3**	2.1	2.0	1.6
IRR (%)	14.8%	20.2%	25.3%	**29.7%**	32.1%	34.8%	43.7%

Copper Price US$/lb	2.00	2.50	3.00	3.20	3.50	4.00	4.50
NPV6% ($M)	792	907	1,022	**1,068**	1,137	1,251	1,365
Payback (yrs)	2.7	2.5	2.3	**2.3**	2.2	2.1	2.0
IRR (%)	24.7%	26.8%	28.9%	**29.7%**	30.9%	32.9%	34.8%

After-Tax Results	OPEX Sensitivity				
	-20%	-15%	**0%**	15%	20%
NPV 6% ($M)	1,270	1,220	**1,068**	916	866
Payback (yrs)	2.1	2.1	**2.3**	2.4	2.5
IRR (%)	33.0%	32.2%	**29.7%**	27.1%	26.2%

After-Tax Results	CAPEX Sensitivity				
	-20%	-15%	0%	15%	20%
NPV 6% ($M)	1,195	1,163	**1,068**	972	940
Payback (yrs)	1.9	2.0	**2.3**	2.6	2.7
IRR (%)	37.7%	35.4%	**29.7%**	25.3%	24.1%

Discount Rate Sensitivity	NPV (After-Tax) ($M)
0%	2,060
5%	1,191
6%	**1,068**
8%	859
10%	689

Mineral Resources

The Mineral Resource Estimate below is for the combined Marathon, Geordie and Sally deposits. The Mineral Resource Estimates were prepared by P&E.

Pit Constrained Combined Mineral Resource Estimate[1-8] for the Marathon, Geordie and Sally Deposits (Effective date June 30, 2020)

Mineral Resource Category	Tonnage	Pd		Cu		Au		Pt		Ag	
	kt	g/t	koz	%	M lbs	g/t	koz	g/t	koz	g/t	koz
Marathon Deposit											
Measured	113,793	0.63	2,304	0.20	502	0.07	262	0.21	762	1.49	5,466
Indicated	89,012	0.45	1,296	0.19	373	0.06	182	0.16	449	1.77	5,078
M+I	**202,806**	**0.55**	**3,599**	**0.20**	**875**	**0.07**	**444**	**0.19**	**1,211**	**1.62**	**10,544**
Inferred	6,931	0.43	95	0.17	26	0.08	17	0.14	32	1.55	345
Geordie Deposit											
Indicated	17,268	0.56	312	0.35	133	0.05	25	0.04	20	2.4	1,351
Inferred	12,899	0.51	212	0.28	80	0.03	14	0.03	12	2.4	982
Sally Deposit											
Indicated	24,801	0.35	278	0.17	93	0.07	56	0.2	160	0.7	567
Inferred	14,019	0.28	124	0.19	57	0.05	24	0.15	70	0.6	280
Total Project											
Measured	113,793	0.63	2,304	0.20	502	0.07	262	0.21	762	1.49	5,466
Indicated	131,081	0.45	1,886	0.21	599	0.06	263	0.15	629	1.66	6,996
M+I	**244,874**	**0.53**	**4,190**	**0.20**	**1,101**	**0.07**	**525**	**0.18**	**1,391**	**1.58**	**12,462**
Inferred	33,849	0.40	431	0.22	163	0.05	55	0.10	114	1.48	1,607

Notes:

1. *Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.*
2. *Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.*
3. *The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.*
4. *Mineral Resources are reported within a constraining pit shell at a NSR cut-off value of $13/t.*
5. *NSR (C$/t) = (Ag x 0.48) + (Au x 42.14) + (Cu x 73.27) + (Pd x 50.50) + (Pt x 25.07) – 2.62.*
6. *The Mineral Resource Estimate was based on metal prices of US$3.00/lb copper, US$1,500/oz gold, US$18/oz silver, US$1,600/oz palladium, and US$900/oz platinum.*
7. *Mineral Resources are inclusive of Mineral Reserves.*
8. *Contained metal totals may differ due to rounding.*

Mineral Reserves

The Mineral Reserve Estimate for the Marathon Project includes only the Marathon deposit. The Mineral Reserve Estimate was prepared by GMS.

Marathon Project Open Pit Mineral Reserve Estimates[-8] (Effective date September 15, 2020)												
Mineral Reserves Category	**Tonnage**		**Pd**		**Cu**		**Au**		**Pt**		**Ag**	
	kt	**%**	**g/t**	**koz**	**%**	**M lbs**	**g/t**	**koz**	**g/t**	**koz**	**g/t**	**koz**
Proven	85,091	72	0.660	1,805	0.202	379	0.070	191	0.212	581	1.359	3,719
Probable	32,610	28	0.512	537	0.213	153	0.061	64	0.168	176	1.541	1,616
P+P	**117,701**	**100%**	**0.619**	**2,342**	**0.205**	**532**	**0.067**	**255**	**0.200**	**756**	**1.410**	**5,334**

Notes:

1. *CIM definitions were followed for Mineral Reserves (see above Note 1).*
2. *Mineral Reserves are estimated at a cut-off grade varying from \$18.00 to \$21.33 NSR/t of ore.*
3. *Mineral Reserves are estimated using the following long-term metal prices (Pd = US\$1,500/oz, Pt = US\$900/oz, Cu = US\$2.75/lb, Au = US\$1,300/oz and Ag = US\$16/oz) and an exchange rate of C\$/US\$ of 1.33).*
4. *A minimum mining width of 5 m was used.*
5. *Bulk density of ore is variable and averages 3.07 t/m^3.*
6. *The average strip ratio is 2.8:1.*
7. *The average mining dilution factor is 9%.*
8. *Numbers may not add due to rounding.*

The Feasibility Study was prepared through the collaboration of the following consulting firms and Qualified Persons:

Consulting Firms	**Area of Responsibility**	**Qualified Person**
G-Mining Services	Mineral Reserves Estimate Mine design Infrastructure design Capital costs and operating costs (Mining and G&A) Financial analysis	Antoine Champagne, ing. Paul Murphy, ing. Antoine Champagne, ing. Louis-Pierre Gignac, ing
Ausenco Engineering Canada Inc. and Haggarty Technical Services	Metallurgical Testing Plant design Capital and Operating costs (Plant)	Robert Raponi, P.Eng
P&E Mining Consultants Inc.	Mineral Resource Estimate Geological technical information QA/QC review of drilling and sampling data	Eugene Purich, P.Eng., FEC, CET
Knight Piésold Ltd. and WESC Inc.	Tailings design and water management Environmental studies and permitting	Craig Hall, P.Eng

COMMUNITY, ENVIRONMENT AND PERMITTING

The development of a mining project in Ontario requires various approvals from both the Federal and Provincial governments. Project permitting is generally split into two phases, the Environmental Assessment ("EA") phase followed by the permitting phase.

The Project is being assessed in accordance with the Canadian Environmental Assessment Act ("CEAA", 2012) and Ontario's Environmental Assessment Act ("EA Act") through a Joint Review Panel ("JRP") pursuant to the Canada-Ontario Agreement on Environmental Assessment Cooperation (2004).

Following approval of the Federal and Provincial Environmental assessments, various permits, approvals and licenses will be required to construct and operate the Project.

The initial EA process was commenced by the prior proponent (Stillwater Canada Inc) of the Marathon Project in 2012 and was put on hold in January 2014. In September 2019, the Company received confirmation from the government that the Marathon Project will remain subject to the requirements of the Canadian Environmental Assessment Act (2012) and the Ontario Environmental Assessment Act (1990) and the process could be restarted.

In July 2020, the Company officially commenced the process to restart the EA approval process and to complete an Environmental Impact Statement ("EIS") report addendum. In November 2020, the Government of Canada and the Province of Ontario appointed the Joint Review Panel ("JRP") members to continue the EA of the Company's Marathon Project.

The process is expected to be completed in the Second Quarter of 2022. The budgeted costs over the next 12 months are approximately $4.5 million. At a high-level, the steps that are required to complete the process are as follows:

- capture and model the designs and impacts as outlined in the feasibility study,
- document conclusions in the EIS report addendum,
- undertake the JRP hearings,
- the JRP will make recommendations to the federal and provincial ministers of the environment on the EIS report addendum, and
- in conjunction with detailed engineering, begin preparing the operating permit applications and collaborate with Indigenous communities to establish environmental monitoring field programs in anticipation of EA approval and construction.

To assist with the permitting program, the sustainability team is being supported by:

- Stantec: lead the EA process and EIS report addendum update,
- Knight Piésold: tailing facility designs,
- EcoMetrix: geochemistry, aquatics, water quality modelling, and
- Northern BioScience: monitoring of species at risk and terrestrial studies on the property.

The Company and its predecessors have been engaged in consultation and negotiations with a number of Indigenous communities and regional municipalities with respect to the Project since 2004. The Company along with the identified communities are progressing relationships through regular meetings and interactions to advance towards the development of the Project. The Company is striving to ensure these partnerships have mutually beneficial outcomes and anticipates strong and long-lasting relationships with these groups.

EXPLORATION AND EVALUATION ACTIVITIES – MARATHON PROPERTY

2020 Geophysics

In February, the Company outlined a large high velocity seismic anomaly that extends at depth from the Sally Deposit into the Archean footwall. The velocity anomaly when projected to surface coincides with a reversely polarized magnetic trend which is used as an exploration tool to identify prospective anomalies. The velocity anomaly may represent a mafic-ultramafic conduit or feeder zone to the Sally Deposit and as such may potentially host higher grade massive sulphide accumulations on the floor of the conduit feeder zone.

In June, the Company commenced Spartan Magnetotelluric ("MT") surveys over portions of the Marathon Property to include the Sally and Four Dams areas as well as a portion of the Marathon deposit and its down dip extension. A MT anomaly at Marathon was evaluated as part of the 2020 fall drill program. The Sally velocity target and related MT anomalies comprise potential summer 2021 exploration drill targets. Similarly, at Four Dams, MT results are being integrated with historical surface exploration and drilling data to generate potential 2021 exploration drill targets.

2020 Fall Drill Program

In August 2020, the Company contracted Vital Drilling Services to complete a 5,000-metre drilling program along the western margin of a portion of the Marathon Property. The exploration drill program was designed to test two areas of interest:

- The MT anomaly to the west and down dip from the Main Zone. The anomaly is situated in the area just north of the 4900N fault considered to be the location of the feeder channel conduit for the Main Zone of the Marathon deposit.
- The northwest extension of the W Horizon in the area between the 4900N Fault and the 4500N Fault. The 4500N Fault is considered to be the location of the feeder channel conduit for the W Horizon mineralization.

The drill program budget was approximately $1 million, commenced on August 24, 2020 and was completed on October 24, 2020. Twelve holes were drilled for a total of 5,068 metres.

<u>MT Anomaly</u>

The first drill hole tested the MT anomaly situated immediately west of and down dip from the Marathon deposit. Target depth was estimated at 650 metres; however, the drill unexpectedly intersected the footwall (Archean basement) at 333.4 metres which is quite shallow in this area. A subsequent down hole Crone pulse EM survey yielded an off-hole anomaly to the east situated immediately beneath a hole previously drilled into the footwall and was terminated in Archean aged, barren, massive pyrrhotite unrelated to the mineralizing event which formed the Marathon Deposit.

No further follow up work of the MT target in this specific area is contemplated at this time. There are no significant assays to report for hole M-20-539.

<u>W Horizon</u>

The remaining 11 drill holes focused on the down-dip western extension of the W Horizon. Highlights of the program included:

- 92 metres grading 1.41 g/t PdEq[(1)(2)] (see footnotes to table below) including 6 metres grading 2.92 g/t Pd, 1.29 g/t Pt, 0.36 g/t Au and 0.48% Cu, as well as
- 8 metres grading 3.86 g/t Pd, 1.36 g/t Pt, 0.43 g/t Au and 0.62% Cu within 43 metres grading 2.82 g/t PdEq.

The W Horizon is recognized in the scientific literature as a zone of extreme Pd enrichment substantiating the significance of these results and confirming the downdip potential for Pd grades of the same magnitude as earlier holes drilled in 2006 - 2008, which are up dip and located within the Marathon Deposit resource.

Significant Results for the 12 Hole Program are as follows:

Hole	Interval (m)	Down-hole length (m)[1]	Au(g/t)	Pt(g/t)	Pd(g/t)	Cu (%)	PdEq (g/t)[2]
M-20-539	No significant assays						
M-20-540	23-31	8	0.11	0.26	0.87	0.16	**1.42**
M-20-541	48-52	4	0.17	0.49	1.47	0.25	**2.40**
	300-314	14	0.10	0.28	1.38	0.09	**1.84**
	(Incl. 302-309)	7	0.13	0.38	1.80	0.11	**2.38**
	354-385	31	0.07	0.20	0.64	0.42	**1.53**
M-20-542	29-31	2	0.18	0.44	1.28	0.32	**2.28**
	282-314	32	0.07	0.27	0.71	0.22	**1.33**
	(incl. 282-296)	14	0.10	0.49	1.22	0.28	**2.12**
M-20-543	297-305	8	0.08	0.20	0.78	0.47	**1.75**
	433-449	16	0.05	0.14	0.55	0.47	**1.47**
M-20-544	18-22	4	0.09	0.18	1.00	0.14	**1.44**
	214-236	22	0.05	0.05	0.16	0.20	**0.55**
M-20-545	17-23	6	0.06	0.14	0.85	0.11	**1.17**
M-20-546	No significant assays						
M-20-547	58-62	4	0.11	0.30	0.85	0.20	**1.49**
	276-302	26	0.09	0.13	0.71	0.23	**1.25**
	(incl. 288-294)	6	0.13	0.31	1.55	0.30	**2.35**
	338-430	92	0.08	0.23	0.66	0.32	**1.41**
	(incl. 338-344)	6	0.36	1.29	2.92	0.48	**4.97**
M-20-548	104-108	4	0.08	0.14	0.82	0.13	**1.21**
	326-336	10	0.01	0.63	0.45	0.01	**0.92**
	360-403	43	0.19	0.59	1.81	0.25	**2.82**
	(and incl. 360-387)	*27*	*0.22*	*0.74*	*2.37*	*0.34*	***3.66***
	(and also incl. 366-374)	*8*	*0.43*	*1.36*	*3.86*	*0.62*	***6.26***
M-20-549	No significant assays						
M-20-550	19-23	4	0.11	0.12	0.98	0.19	**1.47**

(1) True width approximates Down-hole length (m)

(2) The Palladium Equivalent ("PdEq") calculation expressed in g/t in this table is the sum of the theoretical in situ value of the constituent metals (Au + Pt + Pd + Cu) divided by the value of one gram of palladium. The calculation makes no provision for expected metal recoveries or smelter payables. USD per ounce commodity prices of $1,300, $900, $1275 were used, respectively, for Au, Pt and Pd and a $3/lb value was assigned for Cu.

2021 Winter and Summer program
In February 2021, the Company initiated an 8,000-metre exploration drilling program on the Marathon Property. The program will consist of a 3,000-metre winter program (conditional on weather) and a 5,000-metre summer program. The entire 2021 exploration program is estimated to cost approximately $3.4 million. The summer program will be developed at a later date and the winter program is designed to test the following areas which are all located external to the Marathon Resource:

- Central Feeder Zone - follow up on high grade, ramp accessible, drill results obtained from the 2020 drill program where drill intercepts returned up to 8 metres grading 3.86 g/t Pd, 1.36 g/t Pt, 0.43% Cu within 43 metres, grading 2.82 g/t PdEq.
- Chonolith Zone - located north of the Marathon Main Zone where drilling in 2006 yielded results which suggest the potential for wide zones of Pd and Cu mineralization like hole BO-06-20 which assayed 0.93 g/t Pd and 0.58% Cu over a 100.5 m interval (from 215.8 m to 316.3 m downhole). The collar location of the planned hole in this area is a 50 m southerly step-out from hole BO-06-20, and
- Southern W Horizon - three holes are planned to test the westerly down dip extension of the high-grade zone. The Southern W Horizon is defined by a cluster of more than 20 drill holes where the intercept was 0.83 g/t gold, 4.79 g/t Pt, 15.77 g/t Pd and 0.21 % Cu over 10 metres in hole M-07-304, from 6.0 m to 16.0 m downhole and equivalent to 20.34 g/t PdEq.

OUTLOOK
The Company will continue to focus on advancing the Marathon Property. Over the next several months Generation will focus on the planning for detailed engineering of the mine infrastructure, progressing the Environmental Assessment, and conducting an 8,000 metre exploration drilling program.

COVID-19
At the end of 2019, a novel strain of coronavirus ("COVID-19") was reported in China. The COVID-19 outbreak developed rapidly in 2020, with a significant number of infections around the world. On March 11, 2020, it was labelled a pandemic by the World Health Organization. During the year ended December 31, 2020, attempts at containment of COVID-19 have resulted in decreased economic activity, which has adversely affected the broader global economy. The rapid development and fluidity of the situation precludes any prediction as to the ultimate impact of COVID-19; however, the Company seeks to obtain the best possible information to enable the assessment of the risks involved and implement appropriate measures to respond. During the year ended December 31, 2020, the Company has implemented a COVID-19 policy drawing on industry specific guidelines set out by federal and provincial governments and works in conjunction with its local health authority to safeguard the health of its employees and the local communities where it operates. The Company cautions that its operations and exploration activities may be impacted by the unprecedented business and social disruption caused by the spread of COVID-19. While there have been no material disruptions to the Company's operations as a whole to date, there can be no certainty that COVID-19 and the restrictive measures implemented to slow the spread of the virus will not impact the Company's operations in the future.

OTHER MINERAL PROPERTIES

In addition to the Marathon Property, the Company holds options, rights and/or ownership interest in the following mineral properties as of December 31, 2020:

Darnley Bay Anomaly, Northwest Territories: The Company holds the exclusive rights to a mineral concession covering the Inuvialuit Settlement Region's lands where the Inuvialuit hold the mineral and surface rights. The area hosts potential for base metal and diamond exploration targets. The Company has an agreement regarding exploration and development with the Inuvialuit Regional Corporation which requires cash payments of $50,000 per year commencing in 2020, or when the TSX-Venture Exchange composite index reaches 1500, and minimum exploration expenditures of $1 million per year commencing in 2020 and cumulative exploration expenditures of $6.3 million by 2025. The Company has not fulfilled its obligations under the agreement in 2020 and continues to discuss alternative options with the Inuvialuit.

Darnley Bay Diamond, Northwest Territories: The property consisted of jointly held mineral leases on the Parry Peninsula northeast of Paulatuk in the Inuvialuit Settlement Region's lands. In 2020, the leases lapsed due to non-payment by the Company's joint venture partner and the Company has forfeited any interest in the property during the year.

Davidson, British Columbia: The Company has an option to acquire a 100% interest in a property hosting a molybdenum-tungsten deposit. The option agreement was signed on April 1, 2016 and cumulative payments totalling $450,000 were made as at December 31, 2020 meeting all spending requirements. There is an ongoing commitment of $100,000 payable on each anniversary of the agreement until commercial production is achieved or the agreement is terminated. Upon commercial production, the vendor will be entitled to a net smelter return royalty of 3%.

Nak, British Columbia: The Company had an option to earn a 100% interest in a copper-gold project. The Company has not fulfilled its obligations under the option agreement and has forfeited any interest in the property during the year.

Rawdon Zinc, Nova Scotia: On March 16, 2018, the Company entered into a Claims Acquisition Agreement to acquire a 100% interest in an exploration property with the potential to host lead-zinc-silver-copper mineralization in central Nova Scotia. Pursuant to the agreement, the Company issued 3,000,000 common shares valued at $191,400 to the optionor.

Alberta Zinc, Alberta: On May 10, 2018, the Company entered into an option agreement to acquire a 100% interest in the Alberta Zinc project. The property is subject to a 2% gross metals royalty, of which the Company can purchase half at any time for $1 million. The Company paid $10,000 and issued 500,000 common shares valued at $31,900 to the vendor upon signing the agreement and committed to a minimum of $100,000 in expenditures on the property which was fulfilled during 2019. A further payment of $250,000 (in cash or shares) was required on May 10, 2020. The Company has not fulfilled its obligations under the agreement in 2020 and continues to discuss alternative options with the property owner.

ACQUISITION, EVALUATION AND EXPLORATION EXPENDITURES

Below are the acquisition, evaluation and exploration expenditures for the year ended December 31, 2020 compared with the year ended December 31, 2019:

	Year ended	
	December 31, 2020	December 31, 2019
Darnley Bay Anomaly	**$ -**	$ 24,806
Davidson	**136,507**	133,191
Nak	**-**	39.586
Rawdon Zinc	**-**	26,018
Alberta Zinc	**-**	25,869
Marathon	**7,847,515**	9,422,874
Total mineral property expenditures	**$ 7,984,022**	$ 9,672,344

The following table displays the cumulative mineral property expenditures by project at December 31, 2020 and 2019.

	Cumulative December 31, 2019	**Acquisition Year Ended December 31, 2020**	**Evaluation and Exploration Year Ended December 31, 2020**	**Cumulative December 31, 2020**
Darnley Bay Anomaly	$ 576,941	**$ -**	**$ -**	**$ 576,941**
Davidson	314,480	**136,507**	**-**	**450,987**
Nak	67,599	**-**	**-**	**67,599**
Clear Lake	23,320	**-**	**-**	**23,320**
Rawdon Zinc	550,917	**-**	**-**	**550,917**
Alberta Zinc	179,626	**-**	**-**	**179,626**
Marathon	9,422,874	**54,178**	**7,793,337**	**17,270,389**
Total expenditures in the year	11,135,757	**190,685**	**7,793,337**	**19,119,779**
Mineral properties acquired (1)	1,216,848	**-**	**-**	**1,216,848**
Total mineral property expenditures	$ 12,352,605	**$ 190,685**	**$ 7,793,337**	**$ 20,336,627**

(1) Properties acquired on December 15, 2017 pursuant to a court approved plan of arrangement between Generation, Pine Point Mining Limited and Osisko Metals Incorporated ("Transferred Properties"). The Transferred Properties included the Darnley Bay Anomaly and Darnley Bay Diamond in the Northwest Territories, Davidson and Nak in British Columbia.

MARKETABLE SECURITIES

On May 24, 2016, the Company entered into an option agreement to earn a 100% interest in a zinc-lead-silver property ("Clear Lake"). On October 1, 2018, the Company entered into an Assignment, Assumption and Amending Agreement ("Clear Lake Assignment Agreement") with Eastern Zinc Corp. ("Eastern Zinc") and the optionor of the Clear Lake property to assign the exclusive right and option to acquire a 100% interest in the property to Eastern Zinc. On June 19, 2020 Eastern Zinc changed its name to Major Precious Metals Corp. ("Major Precious Metals"). Pursuant to the agreement, Major Precious Metals paid $50,000 in cash and issued 12,600,000 common shares of Major Precious Metals to the Company ("Major Precious Metals Shares"). Pursuant to the Clear Lake Assignment Agreement, an additional $50,000 in cash and 5,010,000 common shares of Major Precious Metals were due to the Company on October 1, 2019 which was extended to October 1, 2020 which were accounted for as receivables ("Major Precious Metals Receivables"). On January 31, 2020, Eastern Zinc provided notice of termination pursuant to the underlying option agreement which had no effect on the Company's Major Precious Metals Receivables.

On May 13, 2020, the Company entered into an assignment agreement assigning the Company's right to the Major Precious Metals Receivables to a third party for cash consideration of $300,500 resulting in a realized loss of $66,385.

On May 13, 2020, the Company also entered into a share purchase agreement agreeing to sell 4,000,000 Major Precious Metals Shares to a third party for cash consideration of $200,000, or $0.05 per share. On July 16, 2020, the assignment agreement and share purchase agreement closed resulting in the Company holding a balance of 8,600,000 Major Precious Metal Shares. The transaction resulted in the Company recording a realized loss of $120,000.

During the year ended December 31, 2020 (2019 – nil) the Company sold 445,000 shares of Major Precious Metals in the open market for total proceeds of $219,000 resulting in a realized gain of $183,400.

As of December 31, 2020, the Company held 8,155,000 Major Precious Metals Shares (2019 – 12,600,000) valued at $2,568,825 (2019 - $256,638). The fair value was determined using the market value as at December 31, 2020 and the 30-day volume weighted average price at December 31, 2019. The fair value adjustments resulted in an unrealized gain of $2,899,251 for the year ended December 31, 2020 (2019 – unrealized loss $1,608,017) on marketable securities and receivable marketable securities.

RESULTS FROM OPERATIONS

The following table sets forth financial information for the Company which has been summarized from and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2020 and 2019, including the notes thereto.

Statements of Loss		**Three months ended December 31, 2020**		**Three months ended December 31, 2019**		**Year ended December 31, 2020**		**Year ended December 31, 2019**
Expenses								
Acquisition, evaluation and exploration	$	3,359,924	$	1,980,217	$	7,984,022	$	9,672,344
Share-based compensation		155,276		-		1,547,720		1,101,000
Audit, legal and advisory fees		62,840		88,165		289,357		450,826
Management and corporate administration services		126,877		111,341		681,325		421,956
Shareholder and investor communications costs		172,063		161,016		833,471		597,177
Occupancy cost		31,999		39,446		127,127		111,423
Interest (recovery) expense		(5,453)		13,969		35,708		39,227
Operating loss		(3,903,526)		(2,394,154)		(11,498,730)		(12,393,953)
Realized and unrealized gain (loss) on marketable securities and receivable marketable securities		547,075		(504,119)		2,896,265		(1,608,017)
Gain on debt write-off		180,516		-		180,516		-
Interest income		5,611		-		29,125		-
Deferred income tax recovery		-		129,611		-		129,611
Net Loss and Comprehensive Loss	**$**	**(3,170,324)**	**$**	**(2,768,662)**	**$**	**(8,392,824)**	**$**	**(13,872,359)**
Net Loss per Share – Basic and diluted	**$**	**(0.02)**	**$**	**(0.03)**	**$**	**(0.07)**	**$**	**(0.21)**

Three Months Ended December 31, 2020 compared to 2019

Generation incurred a net loss of $3,170,324 or $0.02 per share for the three months ended December 31, 2020 compared to a net loss of $2,768,662 or $0.03 per share for the three months ended December 31, 2019. The significant differences are outlined below.

- Acquisition, evaluation, and exploration expenses were $3,359,924 for the three months ended December 31, 2020 compared to $1,980,217 for the three months ended December 31, 2019. The increase of $1,379,707 is primarily related to the fall drilling program conducted at the Marathon Property and costs associated with the ongoing feasibility study and environmental assessment. During the fourth quarter of 2020 $690,814 was incurred for exploration expenditures (Q4 2019 - $1,450,979), $1,587,938 for feasibility study related costs (Q4 2019 - $321,387), and $880,595 for environmental assessment expenditures (Q4 2019 - $72,602).
- Share-based compensation was $155,276 for the three months ended December 31, 2020. There was no share-based compensation in the three months ended December 31, 2019. Share-based compensation is a non-cash item calculated using the Black Scholes valuation model and fluctuates period to period depending on the number of options vested. The increase of $155,276 in 2020 compared to 2019 is directly related to the number of options vesting during the periods. There were 1,375,000 stock options subject to vesting schedules in the fourth quarter ended 2020 compared to no stock options vesting during the fourth quarter of 2019.
- Audit, legal and advisory fees were $62,840 for the three months ended December 31, 2020 compared to $88,165 for the three months ended December 31, 2019. The expenditures are consistent for the comparable quarters. Management and corporate administration services expenses were $126,877 in the three months ended December 31, 2020 compared to $111,341 for the three months ended December 31, 2019. The expenditures are consistent for the comparable quarters.
- Shareholder and investor communications costs were $172,063 in the three months ended December 31, 2020 compared to $161,016 in the three months ended December 31, 2019. The expenditures are consistent for the comparable quarters.
- Occupancy costs were $31,999 in the three months ended December 31, 2020 compared to $39,446 in the three months ended December 31, 2019. The decrease of $7,447 is the result of the reduction of occupancy costs under COVID-19 protocols.
- Interest recovery was $5,453 in the three months ended December 31, 2020 compared to interest expense of $13,969 in the three months ended December 31, 2019. Interest expense results from the recognition and depreciation of the corporate office lease as a right-of-use asset and interest accrued on debt. The recovery during the three months ended December 31, 2020 relates to the reversal of annual interest accrued on debt of $18,903. The interest was reversed due to the write off of debt during the period.
- Realized and unrealized gains and losses on marketable securities relate to the sale and/or period end fair value adjustments of marketable securities receivable during the period. There was a realized and unrealized gain of $547,075 on the sale of securities relating to the fair value adjustment of marketable securities for the three months ended December 31, 2020 compared with a $504,119 unrealized loss for the three months ended December 31, 2019 which related to the fair value adjustment of marketable securities.
- Gain on debt settlement was $180,516 in the three months ended December 31, 2020 compared to nil in the three months ended December 31, 2019. The gain relates to the write off of $180,516 in debt due the passing of the statute of limitations.
- Interest income results from interest earned on short term guaranteed investment certificates.
- Deferred income tax recovery results from the flow-through share premium received upon the issuance of flow-through shares. There was no premium on the issue of flow-through shares in the three months ended December 31, 2020. In the three months ended December 31, 2019, a $129,611 tax recovery was recorded when the eligible exploration expenditures were incurred and renounced.

Year Ended December 31, 2020 compared to 2019

Generation incurred a net loss of $8,392,824 or $0.06 per share for the year ended December 31, 2020 compared to a net loss of $13,872,359 or $0.21 per share for the year ended December 31, 2019. The significant differences are outlined below.

- Acquisition, evaluation, and exploration expenses were $7,984,022 for the year ended December 31, 2020 and $9,672,344 for the year ended December 31, 2019. Net of the Marathon Property acquisition costs of $6,000,000 incurred in 2019, expenditures were $3,672,344. The net increase of $4,311,678 for the year ended 2020 compared to 2019 is primarily related to the fall drilling program conducted at the Marathon Property and costs associated with the ongoing feasibility study and environmental assessment. During the year ended 2020 $2,060,194 was incurred for exploration expenditures (2019 $3,052,079), $3,153,684 for feasibility study related costs (2019 $476,215), and $1,986,544 for environmental assessment expenditures (2019 $163,569).
- Share-based compensation was $1,547,720 for the year ended December 31, 2020 compared to $1,101,000 for the year ended December 31, 2019. Share-based compensation is a non-cash item calculated using the Black Scholes valuation model and fluctuates period to period depending on the number of options vested. The increase of $446,720 in 2020 compared to 2019 is directly related to the number of options vesting during the periods. There were 5,325,000 stock options vesting or partially vesting during the year ended December 31, 2020 compared to 4,100,000 stock options vesting during the same period in 2019.
- Audit, legal and advisory fees were $289,357 for the year ended December 31, 2020 compared to $450,826 for the year ended December 31, 2019. The decrease of $161,469 in 2020 is related in large part to expenditures incurred in 2019 relating to the acquisition of the Marathon Property.
- Management and corporate administration services expenses were $681,325 in the year ended December 31, 2020 compared to $421,956 for the year ended December 31, 2019. The increase of approximately $259,369 is the result of an increase in administration activities and executive compensation at the corporate level as the Company expanded in order to complete a feasibility study and environmental assessment on the Marathon Property.
- Shareholder and investor communications costs were $833,471 in the year ended December 31, 2020 compared to $597,177 in the year ended December 31, 2019. The increase of approximately $236,294 in 2020 is primarily the result of fees associated with the listing of the Company's shares on the Toronto Stock Exchange and the OTC Market in addition to an increase marketing and investor relations programs related to the Marathon Property.
- Occupancy costs were $127,127 in the year ended December 31, 2020 compared to $111,423 in the year ended December 31, 2019. The increase of $15,704 is the result of the increase in office space.
- Interest expense was $35,708 in the year ended December 31, 2020 compared to $39,227 in the year ended December 31, 2019. Interest expense results from the recognition and depreciation of the corporate office lease as a right-of-use asset and interest accrued debt.
- Realized and unrealized gains and losses on marketable securities and receivable marketable securities relate to the sale and/or period end fair value adjustments of marketable securities or marketable securities receivable during the period. Transactions during the year are outlined above under the section heading Marketable Securities.
- Gain on debt settlement was $180,516 in the year ended December 31, 2020 compared to nil in the year ended December 31, 2019. The gain relates to the write off of $180,516 in debt due to the passing of the statute of limitations.
- Interest income results from interest earned on short term guaranteed investment certificates.
- Deferred income tax recovery results from the flow-through share premium received upon the issuance of flow-through shares. There was no premium on the issue of flow-through shares in the year ended December 31, 2020. In the year ended December 31, 2019, a $129,611 tax recovery was recorded when the eligible exploration expenditures were incurred and renounced.

Summary of Quarterly Results

Three Months Ended	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019	Jun 30 2019	Mar 31 2019
Acquisition, evaluation and exploration	$3,359,924	$2,648,228	$1,328,867	$611,003	$1,980,217	$7,475,824	$7,425	$208,878
General and administration	388,326	448,193	627,641	502,828	413,937	402,562	613,029	191,083
Share-based payments	155,276	139,986	956,963	295,495	-	1,101,000	-	-
Operating loss	(3,903,526)	(3,272,407)	(2,913,471)	(1,409,326)	(2,394,154)	(8,979,386)	(620,454)	(399,961)
Realized and unrealized gain (loss) on marketable securities and receivable marketable securities	547,075	(2,939,435)	5,164,366	124,259	(504,119)	(525,798)	(714,200)	136,100
Gain on debt write-off	180,516	-	-	-	-	-	-	-
Interest income	5,611	7,099	16,415	-	-	-	-	-
Net income (loss) and comprehensive income (loss)	(3,170,324)	(6,204,743)	2,267,310	(1,285,067)	(2,768,662)	(9,505,184)	(1,334,654)	(263,860)
Basic and diluted earnings (loss) per share	$(0.02)	$(0.05)	$0.02	$(0.01)	$(0.03)	$(0.11)	$(0.03)	$(0.01)
Weighted average number of common shares outstanding	131,367,147	130,527,507	130,134,113	111,061,988	91,522,675	83,909,901	45,573,475	45,469,934

The Company's operating losses are driven mainly by the extent and cost of the company's acquisition, evaluation and exploration activities. The significant changes over the most recent eight completed quarters are outlined below.

- Included in acquisition, evaluation and exploration expenses in the first quarter of 2019 to the second quarter of 2019 are costs related to the Company's Transferred Properties, the Rawdon project and Alberta Zinc.
- During the third and fourth quarters of 2019 and the four quarters of 2020, acquisition, evaluation and exploration expenditures increased significantly as a result of the acquisition of the Marathon Property. During this period the Company completed a preliminary economic assessment in the third and fourth quarters of 2019, worked on a feasibility study and environmental assessment during the four quarters of 2020, and completed a 12,000-metre drill program in the fourth quarter of 2020.
- General and administrative expenses increased during the last three quarters of 2019 and the first four quarters of 2020 as a result of the expanded corporate administrative function following the Marathon Property acquisition.
- Share-based payments is a non-cash item calculated using the Black Scholes valuation model and fluctuates period to period depending on the number of options vesting.
- Realized and unrealized gains and losses on marketable securities and receivable marketable securities relate to the sale and/or period end fair value adjustments of marketable securities or marketable securities receivable during the period. Transactions during the period are outlined above under the section headings Marketable Securities.
- Gain on debt write-off are no recurring items discussed elsewhere in the MD&A.

FINANCIAL POSITION

Assets

As at December 31, 2020, the Company had total assets of $15,660,035 (December 31, 2019 - $2,929,674) which consisted of current assets of $14,857,059 (December 31, 2019 - $2,049,751) and non-current assets of $802,976 (December 31, 2019 - $879,923).

Current assets as at December 31, 2020 consists primarily of cash and cash equivalents of $11,662,360 (December 31, 2019 - $1,218,516), marketable securities of $2,568,825 (December 31, 2019 - $256,638) and accounts receivable $483,119 (December 31, 2019 - $540,910). Cash is held in Canadian dollar denominated accounts and short term guaranteed investment certificates, marketable securities consist of

8,155,000 shares of Major Precious Metals at fair value and accounts receivable is mainly comprised of HST receivable. There is no assurance that Generation will be able to monetize its investment in marketable securities as at December 31, 2020.

Non-current assets as at December 31, 2020 consist of restricted cash and cash equivalents pursuant to guaranteed investment certificates held as security for the corporate office lease, land and building acquired pursuant to the acquisition of the Marathon Property and the corporate office right of use asset.

Liabilities
As at December 31, 2020, the Company had total liabilities of $1,958,613 (December 31, 2019 - $719,541) which consisted of current liabilities of $1,767,198 (December 31, 2019 - $496,368) and long-term liabilities of $191,415 (December 31, 2019 - $223,173).

Current liabilities as at December 31, 2020 primarily consists of accounts payable and accrued liabilities of $1,735,441 (December 31, 2019 - $288,982) and short term lease liability of $31,757 (December 31, 2019 - $26,870). The increase in accounts payable is due mainly to the increased expenditures relating to the operation of the Marathon Property. As at December 31, 2021 short debt has been written off due to the of passing of the statute of limitations resulting in a decrease in current liabilities of $180,516.

As a result of applying IFRS 16, the Company recognized a right-of-use asset for its corporate office lease. As at December 31, 2020, the balance of the current lease liability is $31,757 and the long term lease liability is $191,415.

LIQUIDITY
The Company relies on equity financings to fund its acquisition, evaluation and exploration activities, cover administrative expenses and to meet obligations as they become due.

The Company's main source of liquidity is its cash. These funds are primarily used to finance working capital, exploration and evaluation expenditures, capital expenditures, and acquisitions. The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. Cash is held on deposit and in guaranteed investment certificates with a major Canadian chartered bank.

Cash used in operating activities during the year ended December 31, 2020 was $8,563,134 compared with $8,455,809 in the prior year. The cash used in operations in both periods relate mainly to the exploration and evaluation of the Marathon Property, and corresponding increases in audit, legal and advisory fees, investor communications expenses and general and administrative expenses.

Cash provided by investing activities was $697,457 during the year ended December 31, 2020 compared to cash used in investing activities of $667,890 in 2019. Cash provided by investing activities in 2020 consisted primarily of cash generated from the sale of marketable securities and assignment of marketable securities receivable. Cash used in investing activities in the prior year relate to assets acquired on the acquisition of the Marathon Property and recorded in proportion to the Company's interest in the joint operation.

Cash generated from financing activities during the year ended December 31, 2020 amounted to $18,309,521, compared to $9,174,316 in the prior year. Financing activities during both years consist of private placements of common shares and flow through common shares, the exercise of common share purchase warrants, and the exercise of stock options. (See Outstanding Security Data section below for further details).

CAPITAL RESOURCES

The Company does not have any debt or credit facilities with financial institutions.

At present, the Company's operations do not generate cash in-flows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. To finance the Company's exploration programs, feasibility study, environmental assessment and to cover administrative and overhead expenses, the Company raises money through equity financings. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activities.

Management believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond their control. If the Company is unable to raise sufficient financing, it may need to scale back its intended operational programs and its other expenses. Other than as discussed herein, the Company is not aware of any trends, demands, commitments, events or uncertainties that may result in its liquidity either materially increasing or decreasing at present or in the foreseeable future, other than general market conditions, which are uncertain for junior exploration companies. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration and development programs, as well as its continued ability to raise capital.

DIVIDENDS

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and therefore does not anticipate paying any dividends on its common shares in the foreseeable future.

RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing, and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management includes the following:

		December 31, 2020		December 31, 2019
Salaries and bonuses	**$**	**1,329,083**	$	460,000
Share-based payments - options		**1,283,663**		756,000
Total compensation to key management	**$**	**2,612,746**	$	1,216,000

In the three months ended December 2020, compensation included salaries and bonuses of $287,500 (December 31, 2019 - $148,000) and share-based payments of $102,793 (December 31, 2019 – nil) for a total compensation of $359,162 compared to $148,000 in the three months ended December 31, 2019.

As at December 31, 2020, accounts payable included $20,724 (December 31, 2019 - $29,484) due to key management of the Company.

OFF-BALANCE SHEET ARRANGEMEMNTS

As at December 31, 2020, the Company did not have any off-balance sheet items.

OUTSTANDING SECURITY DATA

Common Shares

The following table summarizes the continuity of common shares for the years ended December 31, 2019 and 2020, and March 25, 2021:

	Number of shares	$
Balance as at December 31, 2018	45,469,934	3,237,812
Issued under property acquisition agreement (note 6)	11,053,795	3,000,000
Shares issued for private placement (1)	28,572,000	3,539,442
Shares issued for flow through private placement (2)	6,167,460	1,791,564
Shares issued for exercise of warrants	315,000	55,363
Shares issued for exercise of options	53,500	12,562
Balance as at December 31, 2019	91,631,689	11,636,743
Shares issued for private placement (3)	20,577,403	5,830,486
Shares issued for flow through private placement (4)	4,292,367	3,112,797
Shares issued for exercise of warrants	18,367,333	7,283,977
Shares issued for exercise of options	1,446,500	508,917
Balance as at December 31, 2020	136,315,292	28,372,920
Shares issued for exercise of warrants	**4,103,872**	**2,088,741**
Shares issued for exercise of options	**100,000**	**35,000**
Balance at March 25, 2021	**140,519,164**	**30,496,661**

(1) On June 5, 2019, the Company completed an $8,000,160 private placement of 28,572,000 subscription receipts at a price of $0.28 per subscription receipt. Subject to certain escrow conditions, each subscription receipt was automatically convertible into one unit (a "Unit") of the Company. Each Unit was comprised of one common share and one-half of one share purchase warrant. Each full warrant entitled the holder to purchase one common share for a period of 24 months after escrow release conditions were satisfied at a price of $0.45. On July 9, 2019 the escrow release conditions were satisfied. The 28,572,000 outstanding subscription receipts were converted into an aggregate of 28,572,000 common shares and 14,286,000 common share purchase warrants, each such warrant exercisable for one common share at a price of $0.45 per share until July 9, 2021. The Company paid a cash commission on 7% of the gross proceeds of the private placement and issued compensation options equal to 7% of the total number of subscription receipts issued. Each compensation option is exercisable to purchase one Unit at the issue price of $0.28 for a period of 24 months from the escrow release date. The total share issue cost was $754,383.

(2) On August 29, 2019, the Company completed the first tranche of a non-brokered private placement through the issuance of 5,750,000 flow-through common shares at a price of $0.315 per flow-through share for gross proceeds of $1,811,250. On September 6, 2019, the Company completed a second tranche of the non-brokered private placement raising additional proceeds of $131,500 through issuance of 417,460 flow-through common shares on the same terms. The aggregate gross proceeds were $1,942,750. A cash commission of $1,575 was paid to a finder. The total share issue cost was $21,575. Flow-through funds must be used for qualifying exploration expenditures. The flow-through shares carried an obligation to renounce qualifying expenditures to subscribers of $1,942,750 which the Company renounced to the flow through shareholders in 2019 and recognized $129,611 in the statement of loss and comprehensive loss as a deferred tax.

(3) On February 13, 2020, the Company completed a bought deal private placement of 19,231,250 units and a concurrent non-brokered private placement of 1,346,153 units, for an aggregate of 20,577,403 units at a price of $0.52 per unit for aggregate total gross proceeds of $10,700,250. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one common share at $0.75 for a period of 24 months. The underwriters received cash compensation of 6% of the gross proceeds on 9,615,864

units, and 4% of the gross proceeds on 9,615,386 units. There was no commission paid on the non-brokered private placement of 1,346,153 units. In addition, the underwriters received compensation options equal to 6% on 9,615,864 units and 4% on 9,615,386 units. There were no compensation options issued on the non-brokered private placement of 1,346,153 units. Each compensation option is exercisable into one common share of the Company for a period of 24 months from closing at an exercise price of $0.52. The total share issue cost was $630,927.

(4) On December 30, 2020, the Company closed a private placement of 4,292,367 flow through common shares at a price of $0.77 per common share for gross proceeds of $3,305,123. Finders received cash compensation of 6% of the gross proceeds on 3,600,000 common shares or $166,320. The total share issue cost was $192,386. Flow through funds must be used for qualifying exploration expenditures. No qualifying expenses were incurred as of December 31, 2020.

Warrants

The following table summarizes the continuity of warrants for the years ended December 31, 2019 and 2020, and March 25, 2021.

	Number of warrants
Outstanding, December 31, 2018	12,854,000
Warrants issued in private placement (1)	14,286,000
Finders options issued in private placement (1)	2,000,040
Warrants exercised	(315,000)
Outstanding, December 31, 2019	28,825,040
Warrants issued in private placement (2)	10,288,701
Finders warrants issued (2)	961,567
Warrants issued (1)	360,309
Warrants exercised	(18,367,333)
Outstanding, December 31, 2020	22,068,284
Warrants issued (1)	**370,478**
Warrants exercised	**(4,103,872)**
Outstanding, March 25, 2021	**18,334,890**

(1) Pursuant to a private placement completed on July 9, 2019, 14,286,000 common share purchase warrants and 2,000,040 finders options were issued. The fair value of the common share purchase warrants and finders options have an estimated grant date fair value of $3,428,640 and $720,014 respectively which was estimated using the Black Scholes option pricing model and the following assumptions: Risk-free interest rate 1.64%, expected volatility using Company historical 193%, dividend yield nil, expected life 2 years.

(2) Pursuant to the private placement completed on February 13, 2020, 10,288,701 common share purchase warrants and 961,567 finders options were issued. The fair value of the common share purchase warrants and finders options have an estimated grant date fair value of $4,115,480 and $413,474 respectively which was estimated using the Black Scholes option pricing model using the following assumptions: Risk-free interest rate 1.51%, expected volatility using Company historical 151%, dividend yield nil, expected life 2 years.

Warrants outstanding as at December 31, 2020 are as follows:

Number of warrants	Exercise price $	Type	Expiry date	Remaining contractual life (years)
9,711,218	0.45	Share purchase warrants	July 9, 2021	0.5
1,106,798	0.28	Finders options	July 9 2021	0.5
10,288,701	0.75	Share purchase warrants	February 13, 2022	1.1
961,567	0.52	Finders options	February 13, 2022	1.1
22,068,284	0.58 (1)			0.8(1)

(1) Weighted average

Stock Options

On May 9, 2018, the Company adopted an incentive Stock Option Plan (the "Plan"). The Plan was amended in July 2020. Under the Plan, options are non-assignable and may be granted for a term not exceeding ten years. The total number of common shares that may be reserved for issuance may not exceed ten percent of outstanding common shares at the grant date and may not exceed five percent for any one person in any 12-month period. The exercise price of an option may not be lower than the market price of the common shares on the Toronto Stock Exchange. The options are non-transferable. Outstanding options may be adjusted by the Board in certain events, as to exercise price and number of common shares, to prevent dilution or enlargement.

The following table sets forth the continuity of outstanding stock options for the year ended December 31, 2019 and 2020, and March 25, 2021:

	Number of options
Outstanding, December 31, 2018	3,300,000
Options granted	4,100,000
Options exercised	(53,500)
Outstanding, December 31, 2019	7,346,500
Options granted	5,325,000
Options exercised	(1,446,500)
Outstanding, December 31, 2020	11,225,000
Options granted	**500,000**
Options exercised	**(100,000)**
Outstanding, March 25, 2021	**11,625,000**

The fair value of options granted under the Plan is measured on the date of grant using the Black-Scholes pricing model and expensed to net income (loss) using the following inputs and assumptions at the measurement date:

Date	Number of Options	Exercise Price ($)	Market Price ($)	Expected Volatility (%) (1)	Risk-free Interest Rate (%)	Expected Life (years)/ Dividend Yield %	Fair Value of Options ($)	Vesting
16-Jul-19	3,700,000	0.30	0.27	212	1.51	5 / 0%		Immediate
07-Aug-19	200,000	0.30	0.27	212	1.20	5 / 0%		Immediate
06-Sep-19	200,000	0.35	0.30	185	1.49	2 / 0%		Immediate
05-Feb-20	500,000	0.65	0.63	152	1.41	5 / 0%	285,000	Immediate
18-Mar-20	750,000	0.45	0.34	152	0.73	5 / 0%	198,750	375,000 in six months/ 375,000 12 months
20-Apr-20	2,850,000	0.52	0.35	151	0.44	5 / 0%	883,500	Immediate
31-Jul-20	600,000	0.52	0.43	144	0.22	2 / 0%	138,000	1/3 immediate 1/3 6 months 1/3 12 months ("1/3rd vesting")
11-Sep-20	75,000	0.52	0.45	141	0.24	2 / 0%	18,000	1/3rd vesting
06-Nov-20	450,000	0.52	0.49	138	0.4	5 / 0%	162,000	1/3rd vesting
06-Nov-20	100,000	0.52	0.49	138	0.26	2 / 0%	26,667	1/3rd vesting

(1) Based on the Company's historical volatility.

As at December 31, 2020, stock options carry exercise prices and terms to maturity as follows:

Exercise price $	Options Outstanding	Options Exercisable	Expiry date	Remaining contractual life (years)
0.52	600,000	200,000	July 31, 2022	1.6
0.52	75,000	25,000	September 11, 2022	1.7
0.52	100,000	33,000	November 6, 2022	1.8
0.10	2,400,000	2,400,000	May 11, 2023	2.4
0.30	3,100,000	3,100,000	July 16, 2024	3.5
0.30	200,000	200,000	August 7, 2024	3.6
0.35	200,000	200,000	September 6, 2024	3.7
0.65	500,000	500,000	February 5, 2025	4.1
0.45	750,000	375,000	March 18, 2025	4.2
0.52	2,850,000	2,850,000	April 20, 2025	4.3
0.52	450,000	150,000	November 6, 2025	4.8
0.36(1)	11,225,000	10,033,000		3.5(1)

(1) Weighted average

SUBSEQUENT EVENTS

Subsequent to the year end 4,103,872 common share purchase warrants were exercised for total proceeds of $2,123,741, and 100,000 options were exercised for total proceeds of $35,000.

On March 8, 2021, there were 500,000 stock options granted exercisable for five years at $1.00 with one third vesting immediately, one third in six months and one third in 12 months.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company. Accordingly, any investment in securities of the Company is speculative and investors should not invest in securities of the Company unless they can afford to lose their entire investment.

The Company assesses and attempts to minimize the effects of these risks through careful management and planning of its operations and hiring qualified personnel but is subject to a number of limitations in managing risk resulting from its early stage of development. Readers are encouraged to read and consider the risk factors and related uncertainties in the Company's Annual Information Form and Annual Management Discussion and Analysis for the year ended December 31, 2020.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reporting amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ materially from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are generally recognized in the period in which the estimates are revised.

Our significant judgments, estimates and assumptions are disclosed in note 2 of the audited consolidated financial statements for the year ended December 31, 2020.

ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The Company's accounting policies are disclosed in Note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2020.

NON-IRFS MEASURES

The Company has included certain terms or performance measures commonly used in the mining industry that are not defined under International Financial Reporting Standards ("IFRS") in this MD&A. These include operating costs, AISC, LOM average AISC, LOM average operating cost, and Free Cash Flow. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore, they may not be comparable to similar measures employed by other companies. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

- Operating Costs include mining, processing, general and administrative and other, concentrate transportation costs, treatment and refining charges, and royalties.
- AISC include Operating Costs, closure, and reclamation, and sustaining capital.
- LOM Average AISC includes LOM AISC divided by LOM PdEq.
- LOM Average Operating Cost includes LOM Operating Costs divided by LOM PdEq.
- Free Cash Flow includes total revenue less Operating Costs, working capital adjustments, equipment financing, initial capital, sustaining capital and closure costs.

RECENT ACCOUNTING PRONOUNCEMENTS

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRS Interpretation Committee that are not yet effective for the relevant reporting periods. Updates that are not applicable or are not consequential to the Company have been excluded there from. The Company is in the process of evaluating the impact on its audited consolidated financial statements.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

In January 2020, the IASB issued amendments to IAS 1, "Presentation of Financial Statements" to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. These amendments are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted. The adoption of these amendments is not expected to have a significant impact on the consolidated financial statements.

FINANCIAL RISK MANAGEMENT

The Company examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk, foreign currency risk, interest rate risk, other price risk and fair valuation risk, and are detailed in Note 4 of the Company's audited consolidated financial statements for the year ended December 31, 2020 and 2019.

Credit Risk

Credit risk is the financial risk of non-performance of a contracted counter party. The Company's credit risk is primarily attributable to cash and receivables. The Company reduces its credit risk by maintaining its cash with a Canadian chartered bank. The Company's maximum exposure to credit risk as at December 31, 2020 is the carrying value of cash and receivables. The credit risk on receivables is deemed low as the majority is related to federal government refunds.

Liquidity Risk

Liquidity risk encompasses the risk that the Company cannot meet its financial obligations in full. The Company's main source of liquidity is its cash and marketable securities. These funds are primarily used to finance working capital, exploration and evaluation expenditures, capital expenditures, and acquisitions. The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. As at December 31, 2020, the Company has current assets of $14,857,059 (December 31, 2019 - $2,049,751) to cover current liabilities of $1,767,198 (December 31, 2019 - $496,368). The current assets include restricted cash, marketable securities, receivables and prepaid expenses. The Company also manages liquidity risk on the basis of expected maturity dates. The following table analyzes financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows).

	Lease liability (undiscounted)	Accounts payable and accrued liabilities	Total
Less than 1 year	$ 130,044	$ 1,735,441	$ 1,865,485
1-5 years	520,854	-	520,854
More than 5 years	-	-	-
Balance at December 31, 2020	**$ 650,898**	**$ 1,735,441**	**$ 2,386,339**

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Company has no significant exposure to foreign currency exchange risk as it has no significant transaction balances denominated in a foreign currency.

Interest Rate Risk

Interest rate risk is the risk borne by an interest-bearing asset or liability as a result of fluctuations in interest rates.

Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. The Company is exposed to fluctuations in market prices of its marketable securities in a quoted mining exploration company. The fair value of these financial instruments represents the maximum exposure to price risk.

If the quoted price of these instruments had changed by 10% as at December 31, 2020, comprehensive income would have changed by approximately $250,000.

Fair Value

The carrying value of cash, accounts payable and accrued liabilities are considered to be representative of their fair value due to their short-term nature. Marketable securities are recorded at fair value as of December 31, 2020 and classified as Level 1 in the fair value hierarchy as they are recorded at fair value by reference to market quoted prices.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The President and Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control framework was designed based on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

There was no change in the Company's internal controls over financial reporting that occurred during the year ended December 31,2020 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. The Company's President and Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design of the disclosure controls and procedures, that as of December 31, 2020, the Company's disclosure controls and procedures have been designed to provide reasonable assurance that material information is made known to them by others within the Company.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and President and Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company. Accordingly, any investment in securities of the Company is speculative and investors should not invest in securities of the Company unless they can afford to lose their entire investment.

The Company assesses and attempts to minimize the effects of these risks through careful management and planning of its operations and hiring qualified personnel but is subject to a number of limitations in managing risk resulting from its early stage of development. Below is a non-exhaustive summary of the principal risks and related uncertainties that may impact the Company. Such risk factors, as well as additional risks and uncertainties not presently known to Company or that the Company currently deems immaterial, could have a material adverse effect on the Company's business, financial condition and results of operations or the trading price of the common shares (the "Common Shares").

The Company Depends on Financing to Fund its Exploration and Development Activities

The Company has no history of earnings, has earned no revenue since commencing operations and has no source of operating cash flow, and there is no assurance that additional funding will be available to it for exploration and development. Although the Company has been successful to date in financing its activities through the sale of equity securities, there can be no assurance that it will be able to obtain sufficient financing in the future to progress the exploration and development of its properties, particularly the Marathon Property. Furthermore, additional financing will be required to continue the development of the properties even if the Company's exploration programs are successful. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the commercial terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Company's mineral properties with the possible loss of such properties.

Uncertainty in the Estimation of Mineral Reserves and Mineral Resources
To ensure the continued operation of the business it is important that the Company realizes its existing identified mineral reserves, convert mineral resources into mineral reserves, increase its mineral resource base by adding new mineral resources from areas of identified mineralized potential, and/or undertake successful exploration or acquire new mineral resources. The figures for mineral reserves and mineral resources contained in herein are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that mineral reserves will be mined or processed profitably. Actual mineral reserves may not conform to geological, metallurgical or other expectations, and the volume and grade of ore recovered may differ from estimated levels. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral reserve or mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretations available at the time. Short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. In addition, there can be no assurance that recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Lower market prices, increased production costs, reduced recovery rates and other factors may result in a revision of its mineral reserve estimates from time to time or may render the Company's mineral reserves uneconomic to exploit. Mineral reserve data is not indicative of future results of operations. If the Company's actual mineral reserves and mineral resources are less than current estimates or if the Company fails to develop its mineral resource base through the realization of identified mineralized potential, its results of operations or financial condition may be materially and adversely affected. Evaluation of mineral reserves and mineral resources occurs from time to time and estimates may change depending on further geological interpretation, drilling results and metal prices, which could have a negative effect on the Company's operations. The category of inferred mineral resource is often the least reliable mineral resource category and is subject to the most variability. Due to the uncertainty which may attach to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven mineral reserves and probable mineral reserves as a result of continued exploration. The Company regularly evaluates its mineral resources and it often determines the merits of increasing the reliability of its overall mineral resources.

Feasibility Studies and Preliminary Economic Assessments
Feasibility studies are used to assess the economic viability of a deposit, and preliminary economic assessments are used to assess the potential economic viability of a deposit. While the studies are based on the best information available to the Company, actual costs may significantly exceed estimated costs and economic returns may differ significantly from those estimated in the studies. There are many factors involved in the determination of the economic viability of a mineral deposit, including the achievement of satisfactory mineral reserve estimates, the level of estimated metallurgical recoveries, capital and operating cost estimates and estimates of future metal prices. The Marathon Property has no operating history upon which to base estimates of future production and cash operating costs. Any of the following events, among others, could affect the profitability or economic feasibility of the Marathon Property: unanticipated changes in grade and tonnes of ore to be mined and processed, unanticipated adverse geological conditions, unanticipated metallurgical recovery problems, incorrect data on which engineering assumptions are made, availability of labour, costs of processing and refining facilities, availability of economic sources of power, adequacy of water supply, adequate access to the site, unanticipated transportation costs, government regulations (including regulations with respect to the

environment, prices, royalties, duties, taxes, permitting, restrictions on production, quotas on exportation of minerals, environmental), fluctuations in metal prices, accidents, labour actions and force majeure events.

Exploration and Development
Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the Company’s control and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. The Marathon Property is in the development stage. Development of the Marathon Property and/or any other of the Company’s properties is contingent upon obtaining satisfactory exploration results. Mineral exploration and development involve substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. There is no assurance that commercial quantities of ore will be discovered on the Company’s exploration properties. There is also no assurance that, even if commercial quantities of ore are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, mineral prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, assuming discovery of a commercial ore body, depending on the type of mining operation involved, several years can elapse from the initial phase of drilling until commercial operations are commenced. Most of the above factors are beyond the control of the Company. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will, in part, be directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations, or that funds required for development can be obtained on a timely basis.

Mineral Prices are Volatile
The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist or develop for the sale of same. There can be no assurance that mineral prices will be such that the Company’s properties can be mined at a profit. Factors beyond the control of the Company will affect the profitability of existing royalty assets and may affect the marketability of any minerals discovered at the Marathon Property. Mineral prices are subject to volatile price changes due to a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

Management and Key Personnel

Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. The Company believes that it will be successful in recruiting excellent personnel to meet its corporate objectives but, as the Company's business activity grows, it may require additional key financial, administrative and technical personnel. Although the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success. In the event that the Company is unable to attract additional qualified personnel, its ability to grow its business or develop its existing properties could be materially impaired.

Title

No assurances can be given that title defects to the Company's properties do not exist. The properties may be subject to prior unregistered agreements, interests or native land claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title, estate and interest in and to the properties to which the title defect relates. There is no guarantee that title to the properties will not be challenged or impugned. While, to the best of the Company's knowledge, title to its properties is in good standing, this should not be construed as a guarantee of title. In Canada, claims have been made and new claims are being made by aboriginal peoples that call into question the rights granted by the government.

Government

Government approvals and permits are currently, and may in the future be, required in connection with the Company's properties. To the extent such approvals are required and not obtained, the Company may be restricted or prohibited from proceeding with planned development or exploration activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reductions in levels of production or require abandonment or delays in development.

Environment

The Company's operations will be subject to environmental regulations. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation will not adversely affect the Company's operations. Government approvals and permits may be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be delayed or prohibited from proceeding with planned exploration or development of mineral properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities, causing operations to cease or be curtailed, and may require corrective measures be implemented, additional equipment be installed, or other remedial actions be undertaken, any of which could result in material capital expenditures. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and require increased capital expenditures or production costs or reductions in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Pre-Existing Environmental Liabilities
Pre-existing environmental liabilities may exist on the properties in which the Company will hold an interest or on properties that may be subsequently acquired by the Company which are unknown, and which have been caused by previous or existing owners or operators of the properties. In such event, the Company may be required to remediate these properties and the costs of remediation could be substantial. Further, in such circumstances, the Company may not be able to claim indemnification or contribution from other parties. In the event the Company was required to undertake and fund significant remediation work, such event could have a material adverse effect upon the Company and the value of its securities.

Operating Hazards and Risks
Mineral exploration, development and production are subject to many conditions that are beyond the control of the Company. These conditions include, but are not limited to, natural disasters, unexpected equipment repairs or replacements, unusual geological formations, unexpected geotechnical conditions, environmental hazards and industrial accidents. The occurrence of any of these events could result in delays, work-stoppages, damage to or destruction of property, loss of life, monetary losses and legal liability, any of which could have a material adverse effect upon the Company or the value of its securities. While the Company maintains insurance against risks which are typical in the mining industry, insurance against certain risks to which the Company may be exposed may not be available on commercially reasonable terms, or at all. Further, in certain circumstances, the Company might elect not to insure itself against such liabilities due to high premium costs or for other reasons. Should the Company suffer a material loss or become subject to a material liability for which it was not insured, such loss or liability could have a material adverse effect upon the Company and the value of its securities.

Competition
The mining industry is intensely competitive in all of its phases, and the Company competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company's ability to attract appropriately skilled labour and to acquire suitable properties or prospects in the future.

Uninsurable Risks
Events in the financial markets have demonstrated that businesses and industries throughout the world are very tightly connected to each other. General global economic conditions seemingly unrelated to the Company or to the mining industry, including, without limitation, interest rates, general levels of economic activity, fluctuations in the market prices of securities, participation by other investors in the financial markets, economic uncertainty, national and international political circumstances, natural disasters, or other events outside of the Company's control may affect the activities of the Company directly or indirectly. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. the Company's business, operations and financial condition could also be materially adversely affected by the outbreak of epidemics or pandemics or other health crises.

Public Health Crises such as the COVID-19 Pandemic
In late December 2019, a novel coronavirus (COVID-19) originated, subsequently spread worldwide and on March 11, 2020, the World Health Organization declared it was a pandemic. The risks of public health crises such as the COVID-19 pandemic to our business include without limitation, the ability to raise funds, employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, potential breaches of material contracts, disruption of the Company's supply chains and other factors that will depend on future developments beyond the Company's control. In particular, the continued spread of the coronavirus globally, prolonged restrictive measures put in place in order to control an outbreak of COVID-19 or other adverse public health developments could materially and adversely impact the Company's business and the exploration and development of the Marathon Property could materially slow down or the Company could be required to suspend its operations for an indeterminate period. There can be no assurance that the Company's

personnel will not ultimately see its workforce productivity reduced or that the Company will not incur increased medical costs or insurance premiums as a result of these health risks. In addition, the coronavirus pandemic or the fear thereof could adversely affect global economies and financial markets resulting in volatility or an economic downturn that could have an adverse effect on the demand for metals and our future prospects.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company has not generated revenue or cash flow from the Marathon Property. As a result of the Company's negative cash flow, the Company continues to rely on the issuance of securities or other sources of financing to generate the funds required to develop the Marathon Project and for corporate expenditures. During the fiscal year ended December 31, 2020, the Company had negative cash flow from operating activities and may continue to have negative cash flow from operating activities into the future as the Company continues its exploration and development of the Marathon Project.

Share Price Volatility

The world securities markets, including those in Canada, experience a high level of price and volume volatility, and the market price of securities of many companies, including the Company, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

Dilution and Future Sales of Common Shares

The exercise of stock options and warrants already issued by the Company or any securities issued by the Company in the future that are convertible into or exchangeable for or carry the right or obligation to acquire equity securities of the Company and the issuance by the Company of additional equity securities in the future could result in dilution in the equity interests of holders of Common Shares.

First Nations Claims and Consultation

First Nations interests and rights as well as related consultation issues may impact the Company's ability to pursue exploration, development and mining at its properties. The Company intends to enter into agreements with First Nations communities in order to manage its relationship with those groups but there is no assurance that claims or other assertions of rights by First Nations communities or consultation issues will not arise on or with respect to the Company's properties or activities. These could result in significant costs and delays or materially restrict the Company's activities.

Cybersecurity Threats

The Company relies on secure and adequate operations of information technology systems in the conduct of its operations. Access to and security of the information technology systems are critical to the Company's operations. To the Company's knowledge, it has not experienced any material losses relating to disruptions to its information technology systems. The Company has implemented ongoing policies, controls and practices to manage and safeguard the Company and its stakeholders from internal and external cybersecurity threats and to comply with changing legal requirements and industry practice. Given that cyber risks cannot be fully mitigated and the evolving nature of these threats, the Company may not have the resources or technical sophistication to anticipate, prevent, or recover from cyber-attacks and cannot assure that its information technology systems are fully protected from cybercrime or that the systems will not be inadvertently compromised, or without failures or defects. Disruptions to the Company's information technology systems, including, without limitation, security breaches, power loss, theft, computer viruses, cyber-attacks, natural disasters, and non-compliance by third-party service providers and inadequate levels of cybersecurity expertise and safeguards of third-party information technology service providers, may adversely affect the operations of the Company as well as present significant costs and risks including, without limitation, loss or disclosure of confidential, proprietary, personal or sensitive information and third-party data, material adverse effect on its financial performance, compliance with its contractual obligations, compliance with applicable laws, damaged reputation, remediation costs, potential litigation, regulatory enforcement proceedings and heightened regulatory scrutiny.

Climate Change
Global climate change could exacerbate certain of the threats facing the Company's business, including the frequency and severity of weather-related events, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, rising water levels and changing temperatures which can disrupt the Company's operations, damage its infrastructure or properties, create financial risk to the business of the Company or otherwise have a material adverse effect on our results of operations, financial position or liquidity. These may result in substantial costs to respond during the event, to recover from the event and possibly to modify existing or future infrastructure requirements to prevent recurrence. Climate changes could also disrupt the operations of the Company by impacting the availability and cost of materials needed for exploration and development activities and could increase insurance and other operating costs. Global climate change also results in regulatory risks. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. Increased public awareness and concern regarding global climate change may result in more legislative and/or regulatory requirements to reduce or mitigate the effects of greenhouse gas emissions.

Conflicts of Interest
Certain of the directors and officers of the Company engage in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest.

Dividends
To date, the Company has not generated any earnings and has not paid any dividends on the Common Shares. Any decision to pay dividends on the Common Shares will be made by the board of directors of the Company on the basis of the Company's earnings, financial requirements and other conditions. If the Company generates earnings in the foreseeable future, it expects that they would be retained to finance growth.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION
This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, including statements relating to the Company's Feasibility Study and results therefrom (including NPV, IRR, capital and operating costs and other financial metrics), Mineral Resource and Mineral Reserve potential, exploration plans, or the ability of the Company and Sibanye Stillwater to vary their respective participating interests in the Marathon Property. All forward-looking statements, including those herein are qualified by this cautionary statement.

Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include commodity price volatility, continued availability of capital and financing, uncertainties involved in interpreting geological data, increases in costs, environmental compliance and changes in environmental legislation and regulation, the Company's relationships with First Nations communities, exploration successes, and general economic, market or business conditions, as well as those risk factors set out in the Company's AIF for the year ended December 31, 2020, the Technical Report dated March 23, 2021 that the Company will file in connection with the Feasibility Study and in the continuous disclosure documents filed by the Company on SEDAR at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date or dates specified in such statements.

Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions relating to: the availability of financing for the Company's operations; operating and capital costs; results of operations; the mine development and production schedule and related costs; the supply and demand for, and the level and volatility of commodity prices; timing of the receipt of regulatory and governmental approvals for development projects and other operations; the accuracy of Mineral Reserve and Mineral Resource Estimates, production estimates and capital and operating cost estimates; and general business and economic conditions.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR at www.sedar.com. The Company disclaims any intention or obligation to update or revise any forward- looking information, whether as a result of new information, future events or otherwise, other than as required by law.

Information Concerning Estimates of Mineral Reserves and Resources

The Mineral Reserve and Mineral Resource estimates in this MD&A have been disclosed in accordance with NI 43-101, which differs significantly from the requirements of the U.S. Securities and Exchange Commission (the "SEC"), and information with respect to mineralization and Mineral Reserves and Mineral Resources contained herein may not be comparable to similar information disclosed by U.S. companies. The requirements of NI 43-101 for identification of ''reserves'' are not the same as those of the SEC, and reserves reported by the Company in compliance with NI 43-101 may not qualify as ''reserves'' under SEC standards. Under U.S. standards, mineralization may not be classified as a ''reserve'' unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. In addition, and without limiting the generality of the foregoing, this MD&A uses the terms ''Measured Resources'', ''Indicated Resources'' and ''Inferred Resources''. U.S. investors are advised that, while such terms are recognized and required by Canadian securities laws, the SEC has not recognized them in the past. U.S. investors are cautioned not to assume that any part of a ''Measured Resource'' or ''Indicated Resource'' will ever be converted into a ''reserve''. U.S. investors should also understand that ''Inferred Resources'' have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of ''Inferred Resources'' exist, are economically or legally mineable or will ever be upgraded to a higher category. Under Canadian securities laws, ''Inferred Resources'' may not form the basis of feasibility or pre-feasibility studies except in certain cases. Disclosure of ''contained ounces'' in a Mineral Resource is a permitted disclosure under Canadian securities laws, however, the SEC normally only permits issuers to report mineralization that does not constitute ''reserves'' by SEC standards as in place tonnage and grade, without reference to unit measures. Accordingly, information concerning mineral deposits set forth in this MD&A may not be comparable with information made public by companies that report in accordance with U.S. standards.

The SEC has adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). These amendments became effective February 25, 2019 (the "SEC Modernization Rules") with compliance required for the first fiscal year beginning on or after January 1, 2021. Under the SEC Modernization Rules, the historical property disclosure requirements for mining registrants included in Industry Guide 7 under the U.S. Securities Act of 1933, as amended, will be rescinded and replaced with disclosure requirements in subpart 1300 of SEC Regulation S-K. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources." In addition, the SEC has amended its definitions of "Proven Mineral Reserves" and "Probable Mineral Reserves" to be "substantially similar" to the corresponding standards under NI 43-101. While the SEC will now recognize "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources", U.S. investors should not assume that any part or all of the mineralization in these categories will ever be converted into a higher category of Mineral Resources or into Mineral Reserves. Mineralization described using these terms has a greater amount of uncertainty as to its existence and feasibility than mineralization that has been characterized as reserves. Accordingly, U.S. investors are cautioned not to assume that any Measured Mineral Resources, Indicated Mineral Resources, or Inferred Mineral Resources that the Company reports are or will be economically or legally mineable. Further, "Inferred Mineral Resources" have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, U.S. investors are also cautioned not to assume that all or any part of the "Inferred Mineral Resources" exist. There is no assurance that any Mineral Reserves or Mineral Resources that the Company may report as "Proven Mineral Reserves", "Probable Mineral Reserves", "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources" under NI 43-101 would be the same had the Company prepared the reserve or resource estimates under the standards adopted under the SEC Modernization Rules.

Mineral Resources are not Mineral Reserves, and do not have demonstrated economic viability, but do have reasonable prospects for economic extraction. Measured and Indicated Mineral Resources are sufficiently well defined to allow geological and grade continuity to be reasonably assumed and permit the application of technical and economic parameters in assessing the economic viability of the Mineral Resource. Inferred Mineral Resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred Mineral Resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as Mineral Reserves. There is no certainty that Mineral Resources of any classification can be upgraded to Mineral Reserves through continued exploration.

The Company's Mineral Reserve and Mineral Resource figures are estimates and the Company can provide no assurances that the indicated levels of mineral will be produced or that the Company will receive the price assumed in determining its Mineral Reserves. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that these Mineral Reserve and Mineral Resource Estimates are well established and the best estimates of the Company's management, by their nature Mineral Reserve and Mineral Resource Estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and statistical inferences which may ultimately prove unreliable. If the Company's Mineral Reserve or Mineral Reserve Estimates are inaccurate or are reduced in the future, this could have an adverse impact on the Company's future cash flows, earnings, results or operations and financial condition.

The Company estimates the future mine life of the Marathon Project. The Company can give no assurance that its mine life estimate will be achieved. Failure to achieve this estimate could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.